

WEIL, GOTSHAL & MANGES LLP
767 Fifth Avenue
New York, New York 10153
Telephone: (212) 310-8000
Facsimile: (212) 310-8007
Shai Y. Waisman

Attorneys for Debtors
and Debtors in Possession

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re : **Chapter 11 Case No.**
:
LEHMAN BROTHERS HOLDINGS INC., et al., : **08-13555 (JMP)**
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Debtors. : **(Jointly Administered)**
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In re : **Chapter 11 Case No.**
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LB 2080 KALAKAUA OWNERS LLC, : **09 - 12516 (JMP)**
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Debtor. :
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**NOTICE OF PRESENTMENT OF MOTION PURSUANT TO
RULE 1015(b) OF THE FEDERAL RULES OF
BANKRUPTCY PROCEDURE REQUESTING JOINT
ADMINISTRATION OF LB 2080 KALAKAUA OWNERS LLC'S CHAPTER 11 CASE**

PLEASE TAKE NOTICE that the undersigned will present the annexed Motion (the "Motion") of Lehman Brothers Holdings Inc. ("LBHI") and its affiliated debtors in the above-referenced chapter 11 cases (together, the "Debtors") requesting joint administration of LB 2080 Kalakaua Owners LLC's chapter 11 case with the other Debtors' chapter 11 cases, all as more fully described in the Motion, to the Honorable James M. Peck, United States Bankruptcy Judge, for signature on **May 12, 2009 at 12:00 p.m. (Prevailing Eastern Time)**.

PLEASE TAKE FURTHER NOTICE that objections, if any, to the Motion shall be in writing, shall conform to the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") and the Local Rules of the Bankruptcy Court for the Southern District of New York, shall set forth the name of the objecting party, the basis for the objection and the specific grounds

thereof, shall be filed with the Bankruptcy Court electronically in accordance with General Order M-242 (which can be found at www.nysb.uscourts.gov) by registered users of the Bankruptcy Court's case filing system and by all other parties in interest, on a 3.5 inch disk, preferably in Portable Document Format (PDF), WordPerfect, or any other Windows-based word processing format (with two hard copies delivered directly to Chambers), and shall be served upon: (i) the chambers of the Honorable James M. Peck, One Bowling Green, New York, New York 10004, Courtroom 601; (ii) Weil Gotshal & Manges LLP, 767 Fifth Avenue, New York, New York 10153, Attn: Shai Y. Waisman, Esq., attorneys for the Debtors; (iii) the Office of the United States Trustee for the Southern District of New York (the "U.S. Trustee"), 33 Whitehall Street, 21st Floor, New York, New York 10004 Attn: Andy Velez-Rivera, Esq., Paul Schwartzberg, Esq., Brian Masumoto, Esq., Linda Riffkin, Esq., and Tracy Hope Davis, Esq.; (iv) Milbank, Tweed, Hadley & McCloy LLP, 1 Chase Manhattan Plaza, New York, New York 10005, Attn: Dennis F. Dunne, Esq., Dennis O'Donnell, Esq., and Evan Fleck, Esq., attorneys for the official committee of unsecured creditors appointed in these cases; and (v) any person or entity with a particularized interest in the Motion, so as to be filed and received by no later than **May 11, 2009 at 12:00 noon (Prevailing Eastern Time)**.

PLEASE TAKE FURTHER NOTICE that unless a written objection is timely served and filed as set forth above, the relief requested shall be deemed unopposed, and the Bankruptcy Court may enter an order granting the relief sought without a hearing.

PLEASE TAKE FURTHER NOTICE that if a written objection is timely served and filed as set forth above, a hearing (the "Hearing") will be held to consider the Motion on **May 13, 2009 at 10:00 a.m. (Prevailing Eastern Time)** before the Honorable James M. Peck, United States Bankruptcy Judge, at the United States Bankruptcy Court, Alexander Hamilton Customs House, Courtroom 601, One Bowling Green, New York, New York 10004.

PLEASE TAKE FURTHER NOTICE that objecting parties are required to attend the Hearing, and failure to appear may result in relief being granted or denied upon default.

Dated: May 4, 2009

New York, New York

/s/ Shai Y. Waisman

Shai Y. Waisman

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Facsimile: (212) 310-8007

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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re

LEHMAN BROTHERS HOLDINGS INC., et al.,
Debtors.

-X
:
: **Chapter 11 Case No.**
:
: **08-13555 (JMP)**
:
: **(Jointly Administered)**
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In re

LB 2080 KALAKAUA OWNERS LLC,

Debtor.

Chapter 11 Case No.
09 - 12516 (JMP)

**DEBTORS' MOTION PURSUANT TO RULE
1015(b) OF THE FEDERAL RULES OF
BANKRUPTCY PROCEDURE REQUESTING JOINT
ADMINISTRATION OF LB 2080 KALAKAUA OWNERS LLC'S CHAPTER 11 CASE**

TO THE HONORABLE JAMES M. PECK
UNITED STATES BANKRUPTCY JUDGE:

Lehman Brothers Holdings Inc. (“LBHI”) and its affiliated debtors in the above-referenced chapter 11 cases, as debtors and debtors in possession (together, the “Debtors” and, collectively with their non-debtor affiliates, “Lehman”), file this Motion and respectfully represent:

Background

1. Commencing on September 15, 2008 and periodically thereafter (as applicable, the “Commencement Date”), LBHI and certain of its subsidiaries commenced with this Court voluntary cases under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”). Other than the case of LB 2080 Kalakaua Owners LLC, which was commenced on April 23, 2009, the Debtors’ chapter 11 cases have been consolidated for procedural purposes only and are being jointly administered pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”). The Debtors are authorized to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

2. On September 17, 2008, the United States Trustee for the Southern District of New York (the “U.S. Trustee”) appointed the statutory committee of unsecured creditors pursuant to section 1102 of the Bankruptcy Code (the “Creditors’ Committee”).

3. On September 19, 2008, a proceeding was commenced under the Securities Investor Protection Act of 1970 (“SIPA”) with respect to Lehman Brothers Inc. (“LBI”). A trustee appointed under SIPA (the “SIPC Trustee”) is administering LBI’s estate.

4. On January 19, 2009, the U.S. Trustee appointed Anton R. Valukas as examiner in the above-captioned chapter 11 cases (the “Examiner”) and by order, dated January 20, 2009 [Docket No. 2583] the Court approved the U.S. Trustee’s appointment of the Examiner.

Jurisdiction

5. This Court has subject matter jurisdiction to consider and determine this matter pursuant to 28 U.S.C. § 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b).

Lehman's Business

6. Prior to the events leading up to these chapter 11 cases, Lehman was the fourth largest investment bank in the United States. For more than 150 years, Lehman has been a leader in the global financial markets by serving the financial needs of corporations, governmental units, institutional clients and individuals worldwide.

7. Additional information regarding the Debtors' businesses, capital structures, and the circumstances leading to these chapter 11 filings is contained in the Affidavit of Ian T. Lowitt Pursuant to Rule 1007-2 of the Local Bankruptcy Rules for the Southern District of New York in Support of First-Day Motions and Applications, filed on September 15, 2008 [Docket No. 2].

Relief Requested

8. By this Motion, the Debtors request that the Court direct joint administration of the recently filed chapter 11 case of LB 2080 Kalakaua Owners LLC (Case No. 09-12516 (JMP)) with the jointly administered chapter 11 cases of Lehman Brothers Holdings Inc., *et. al.* (Case No. 08-13555 (JMP)) for procedural purposes only pursuant to Rule 1015(b) of the Bankruptcy Rules.

Basis for Relief Requested

9. Bankruptcy Rule 1015(b) provides, in relevant part, that if "two or more petitions are pending in the same court by or against . . . a debtor and an affiliate, the court may order a joint administration of the estates." Fed. R. Bankr. P. 1015(b). LB 2080 Kalakaua Owners LLC and the other Debtors are "affiliates" as that term is defined under section 101(2) of the Bankruptcy Code. Accordingly, this Court is authorized to grant the requested relief.

10. On the Commencement Date and periodically thereafter the Debtors commenced their chapter 11 cases, referenced above, by filing the appropriate petitions with this Court. Given the provisions of the Bankruptcy Code and the Bankruptcy Rules, as well as the Debtors' affiliation, joint administration of these cases is warranted. Joint administration will avoid the preparation, replication, service, and filing, as applicable, of duplicative notices, applications, and orders in LB 2080 Kalakaua Owners LLC's case in addition to the Debtors' other cases, thereby saving the Debtors' estates considerable expense and resources.

11. The relief requested will not adversely affect creditors' rights as this Motion requests that the Debtors' estates only be administratively consolidated, not substantively consolidated. Moreover, each creditor may still file its claim against a particular estate. In fact, the reduced costs that will result from the joint administration of these cases will enhance the rights of all creditors. The relief requested will also relieve the Court of the burden of entering duplicative orders and maintaining duplicative files and dockets, and, similarly, simplify supervision of the administrative aspects of these chapter 11 cases by the U.S. Trustee.

12. The Debtors also seek the Court's direction that a notation substantially similar to the following notation be entered on the docket of LB 2080 Kalakaua Owners LLC's case to reflect the joint administration of these cases:

An Order has been entered in this case directing the procedural consolidation and joint administration of the chapter 11 case of LB 2080 Kalakaua Owners LLC with all other cases jointly administered under **Case No. 08-13555 (JMP)**, and the docket of **Case No. 08-13555 (JMP)** should be consulted for all matters affecting these cases.

13. Finally, the Debtors seek authority to file the monthly operating reports required by the U.S. Trustee Operating Guidelines on a consolidated basis. Consolidated

monthly operating reports will enhance the economy and efficiency of these cases without prejudice to any party in interest.

Notice

14. No trustee has been appointed in these chapter 11 cases. The Debtors have served notice of this Motion in accordance with the procedures set forth in the amended order entered on February 13, 2009 governing case management and administrative procedures for these cases [Docket No. 2837] on (i) the U.S. Trustee; (ii) the attorneys for the Official Committee of Unsecured Creditors; (iii) the Securities and Exchange Commission; (iv) the Internal Revenue Service; (v) the United States Attorney for the Southern District of New York; and (vi) all parties who have requested notice in these chapter 11 cases. The Debtors submit that no other or further notice need be provided.

15. Other than in the motions seeking entry of an order directing the joint administration of the chapter 11 cases of the Debtors other than LB 2080 Kalakaua Owners LLC, no previous request for the relief sought herein has been made by the Debtors to this or any other court.

WHEREFORE the Debtors respectfully request that the Court grant the relief
requested herein and such other and further relief as is just.

Dated: May 4, 2009
New York, New York

/s/ Shai Y. Waisman

Shai Y. Waisman

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Attorneys for Debtors
and Debtors in Possession

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re : **Chapter 11 Case No.**
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LEHMAN BROTHERS HOLDINGS INC., et al., : **08-13555 (JMP)**
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Debtors. : **(Jointly Administered)**
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In re : **Chapter 11 Case No.**
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LB 2080 KALAKAUA OWNERS LLC, : **09 - 12516 (JMP)**
:
Debtor. :
:
-----X

**ORDER PURSUANT TO RULE
1015(b) OF THE FEDERAL RULES OF
BANKRUPTCY PROCEDURE DIRECTING JOINT
ADMINISTRATION OF LB 2080 KALAKAUA OWNERS LLC'S CHAPTER 11 CASE**

Upon the motion, dated May 4, 2009 (the "Motion"), of the above referenced debtors (collectively, the "Debtors"), as debtors and debtors in possession, pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), requesting the joint administration of the Debtors' chapter 11 cases for procedural purposes only, as more fully described in the Motion; and the Court having jurisdiction to consider the Motion and the relief requested therein in accordance with 28 U.S.C. §§ 157 and 1334 and the Standing Order M-61 Referring to Bankruptcy Judges for the Southern District of New York Any and All Proceedings Under Title 11, dated July 10, 1984 (Ward, Acting C.J.); and consideration of the Motion and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of

the Motion having been provided in accordance with the procedures set forth in the amended order entered February 13, 2009 governing case management and administrative procedures [Docket No. 2837] to (i) the United States Trustee for the Southern District of New York; (ii) the attorneys for the Official Committee of Unsecured Creditors; (iii) the Securities and Exchange Commission; (iv) the Internal Revenue Service; (v) the United States Attorney for the Southern District of New York; and (vi) all parties who have requested notice in these chapter 11 cases, and it appearing that no other or further notice need be provided; and the Court having found and determined that the relief sought in the Motion is in the best interests of the Debtors, their estates and creditors, and all parties in interest and that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor, it is

ORDERED that the Motion is granted; and it is further

ORDERED that the above-captioned chapter 11 cases are consolidated for procedural purposes only and shall be jointly administered by the Court; and it is further

ORDERED that nothing contained in this Order shall be deemed or construed as directing or otherwise effecting the substantive consolidation of any of the above-captioned cases; and it is further

ORDERED that the caption of the jointly administered cases shall read as

follows:

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re	:
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LEHMAN BROTHERS HOLDINGS INC., et al.,	:
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Debtors.	:
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; and it is further

ORDERED that a docket entry shall be made in the chapter 11 case of LB 2080

Kalakaua Owners LLC substantially as follows:

An Order has been entered in this case directing the procedural consolidation and joint administration of the chapter 11 case of LB 2080 Kalakaua Owners LLC with all other cases jointly administered under **Case No. 08-13555 (JMP)**, and the docket of **Case No. 08-13555 (JMP)** should be consulted for all matters affecting this case

; and it is further

ORDERED that the Debtors shall be permitted to file their monthly operating reports required by the United States Trustee Operating Guidelines on a consolidated basis.

Dated: May__, 2009
New York, New York

UNITED STATES BANKRUPTCY JUDGE